

Catalog of Acquisition Reform Change Elements

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	<i>1</i>
Contracting						
C01	Improved Pre-Solicitation Phase Communication	FAC90-29; FAC90-32; Navy Cardinal Point 3-2 and 4-3;	1/1/93	Increased communication to provide potential suppliers greater understanding of Government's needs and Government greater understanding of supplier capability (incl conferences, bulletin boards, requests for information, Comm Advocates Forum, draft RFPs)	Reduced PALT; reduced Bid & Proposal costs; greater access to commercial.	
C02	RFP Streamlining	AF Lightning Bolt #1, 4 and 10; Proc PAT - (Early CAS, DFARS Case 95-D015/DAC 91-11); Navy Cardinal Point 4-3; AMC Pam 70-25.	3/3/95	Reduction in the size and complexity of RFPs due to elimination of unnecessary SOW complexity and contract clauses	Reduced PALT; reduced Bid & Proposal costs; greater access to commercial.	
C03	Elimination of Military Specs and Standards/Use of Performance-based requirements	PL103-355, sec8104; FAC90-32; DoDD5000.1 (D.1.I); DoD5000.2 (3.3.3.1); SECDEF memo, 29 Jun 94; SECDEF memo, 6 Dec 95; USD (A&T) memo, 8 Dec 95 (SPI)	6/29/94	Changing the way DoD states its requirements in solicitations and contracts by: Establishing a performance-based solicitation process; Implementing standardization document improvements; Creating irreversible cultural change	Reduced contract schedule; reduced contract cost; greater access to commercial.	
C04	Government encouragement of contractor-proposed cost/performance trade-offs	DoDD5000.1 (D.1.f); DoD5000.2 (3.3.3.1)	3/15/96	RFPs shall include a strict minimum number of critical performance criteria that will allow industry maximum flexibility to meet overall program objectives	Reduced contract schedule; reduced contract cost.	
C05	Use of Past Performance /Best Value Evaluation Criteria	PL103-355, sec1091 (FASA); FAC 90-26; DoD5000.2 (3.3.4.2); USD (A&T) memo, 28 Apr 95; AF Lightning Bolt #6; Navy Cardinal Point 4-2	4/28/95	FASA and subsequent memoranda require use of Past Performance Evaluation Criteria in source selection decisions. The criteria use past performance information to select the best sources, and motivate contractors to perform better on their contracts	Better quality products and services purchases by DoD; More contract awards for contractors with superior performance records	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	2
Contracting						
C06	Streamlined Pre-Award Process	Proc & CAS PATs - USD(A&T) memos - 28 & 29 June 95; DDP memo - 14 Jun 95; DFARS cases 95-D009,010,015,016/DAC91-9&11; FARA, sec4102;AF Lightning Bolt #10; Army Thrust Area VI; Navy Cardinal Point 2-2 and 4-3	6/1/95	Use of tools & methods to decrease time & effort required by both Government and industry from solicitation to contract award, including: IPT type activities (Alpha contracting), oral presentations.	Reduced PALT; reduced Bid & Proposal costs.	
C07	Use of EDI to streamline procurement process	FAC90-29; DepSecDef Memo, 28 Apr 94; AF Lightning Bolt #10; Army Thrust Area III and IV, Navy Cardinal Point 4-1	4/28/94	Initiate, conduct,and maintain business related transactions between the government and it's suppliers without requiring the use of hard copy media, including electronic source selection.	Reduced PALT; reduced Bid & Proposal costs.	
C08	Performance Based Service Contracting	OFPP Policy Ltr 91-2, 9 Apr 91; Army Thrust Area II	4/9/91	SOW for services - "what" not "how"; minimize reliance on intrusive process-oriented inspections and oversight	Reduced contract cost; increased quality of service; increased access to commercial.	
C09	Improved communications related to potential disputes during contract execution	PL 104-320 (Administrative Dispute Resolution Act of 1996); FAC 90-39 (XXIII).	6/20/96	More thorough, timely communications during contract execution, including use of ADR, avoiding unnecessary litigation.	Reduced contract schedule; reduced contract cost.	
C10	Use of commercial warranties and other product liability issues (risk management)	PL 103-355, sec 8002 (FASA); FAC 90-32; FAR 46.804; FAR 46.709:	9/18/95	FASA requires contracting officers to take advantage of commercial warranties	Reduced contract cost; increased access to commercial.	
C11	Rights in Tech Data & Computer Software	PL 103-355, sec8106; DFARS Part 227.71/.72; DFARS Case 91-8	6/30/95	DoD acquires only tech data & software rights necessary to satisfy needs; contractor retains rights if data developed at private expense	Reduced contract cost; increased access to commercial.	
Engineering						
E01	Use of Open Systems Approach	DoD5000.2 (4.3.4); USD(A&T) memo, 29 Nov94; USD(A&T) memo, 10 Jul 96	11/29/94	Integrated business/engineering strategy to choose specs & stds adopted by industry stds bodies or defacto stds for selected system interfaces	Reduced contract schedule; reduced contract cost; increased quality (more effective solutions); increased access to commercial.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	3
Engineering						
E02	Use of quick (rapid) prototyping in software development	DoDD 5000.1 (D.1.h); MIL-STD 498; DoD TAFIM, vol I (3.10) (4.2.2)	11/2/94	The creation of a working model of a software module to demonstrate the feasibility of the function. The prototype is later refined for inclusion in a final product.	Reduced contract schedule; reduced contract cost; increased quality .	
E03	Contractor maintains configuration of the design solution	DoDDeskbook -(DoD Standardization Practices; Principles of Configuration Management); AMC-P-715-17, PBBE; MIL-HDBK-61	3/15/94	Use of performance based acquisition reduces oversight of contractor configuration management practices; allows technology updates, other changes without extensive contract change	Reduced contract schedule; reduced contract cost; increased quality (more effective solutions); increased access to commercial.	
E04	Streamlined procedures for review/approval of engineering change proposals (ECPs)	MIL Specs & Standards Reform PAT - MIL-STD-973D	1/1/95	In performance based acquisitions, ECPs are restricted to those affecting DoD's performance requirements with concurrent elimination of CL II ECPs	Reduced contractor time (ecp cycle); reduced ecp cycle costs.	
E05	Simulation as a replacement for some engineering tests	DoDD5000.1 (D.2.f); Army Thrust Area IV	3/15/96	Use of modeling techniques to test and evaluate design without building hardware prototypes	Reduced contract schedule; reduced contract cost; increased quality .	
E06	Survivability/lethality testing below end-item level	PL 103-355, Sec. 3014 (FASA); DepSecDef policy memo, 6/26/95; DoDI 5000.2 (3.4.9)	10/13/96	SECDEF may issue waiver allowing survivability/lethality testing of components, systems and subsystems	Reduced contract cost	
E07	Concurrent developmental testing (DT)/operational testing (OT)	DoD 5000.2 (3.4); Army Thrust Area IV	12/13/96	T&E programs structured to integrate all DT&E,OT&E, live fire, and modeling & simulation activities conducted by different agencies.	Reduced contract schedule; reduced contract cost.	
E08	Use of commercial engineering drawing practices	Revised MIL-STD-100	2/1/95	MIL-STD-100 being revised to eventually convert to ASME Y 14.100; also, reduction in level of detail required in drawings due to revision of MIL-T-31000 to conform with MIL-STD-961D; also, use of CALS CITIS will help resolve issue of data detail required	Reduced time/cost related to drawings.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	4
Engineering						
E09	Use of EDI to streamline engineering design and testing (e.g., JEDMICS, CMIS)	Navy Cardinal Point 1-3 and 4-1; Draft MIL-HDBK-91	12/1/95	Use of automated tools enable government-contractor interface in standardized manner & operate in integrated database environment. Eliminate lost aperture cards ; contractor receives/delivers drawings in digital format.	Reduced time/cost related to drawings; increased quality in drawings.	
Finance						
F01	Use of risk-based approach to DCAA financial oversight	ICAPS (Internal Control Audit Planning Summary) - FY 94	10/1/94	Tailoring scope of DCAA audits based upon risk assessment methodology; Provided and discussed with contractor executives annually. Objective - work with contractor to correct deficiencies	Reduced overall contractor cost related to oversight.	
F02	Use of tailored negotiation of forward pricing rates	CASPAT (Chapter 13); DCMC One Book (DLAD 5000.4) - Part 5, Chapter 3.	6/1/96	Establish tailored FPRAs for smaller contracts when facility wide agreement not possible; Renegotiate elements of FPRA versus total agreement	Reduced overall contractor cost related to oversight.	
F03	Direct submission of cost vouchers to DFAS	Departmental Ltr 96-013; DFARS 242.803, (DAC 91-11); DCAA memo 22 July 96; DFAS memo 23 Dec 96.	5/21/96	Contractors with adequate billing systems authorized by DCAA to submit direct costs (other than first and last)	Reduced time related to cash flow cycle	
F04	Use of commercial and other exemptions for cost or pricing data	PL 103-355, Subtitle IB; FAC 90-32; FAR Case 94-721(FAR 15.804)	10/1/95	Created exemptions to requirement for cost or pricing data for services & modifications to commercial items: also, for noncompetitive buys for commercial items.	Reduced PALT; reduced Bid & Proposal costs; greater access to commercial.	
F05	New order of priority for information/Adjustment of TINA threshold	PL 103-355, Subtitle IB; FAC 90-22; FAC90-32;	10/1/95	FASA recognized reliance on unnecessary cost or pricing data increases proposal preparation costs, extends acquisition lead times & wastes resources.	Reduced PALT; reduced Bid & Proposal costs.	
F06	Use of parametric cost estimating	D, DP memo, 28 Aug 95	8/28/95	Use of parametrics on firm proposals submitted to Government;	Reduced PALT; reduced Bid & Proposal costs.	
F07	Reduced number of TINA sweeps	PL 103-355, sec 1207 (FASA); FAC 90-32;Proc PAT - Rec. 7A - DCAA Audit Guidance 2 Jun 95	9/18/95	Use of agreed cut-off date to eliminate endless TINA sweeps prior to contract signing	Reduced Bid & Proposal costs.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	5
Finance						
F08	Use of performance-based progress payments	PL 103-355, Sec 2001 (FASA); FAC 90-33	9/26/95	Contract financing based on output/outcome versus input (labor, materials and overhead costs) - applicable only on contracts for non-commercial items awarded non-competitively.	Impacts time - Incentivizes contractor to adhere to delivery schedule.	
F09	Use of EDI to facilitate contractor payment	PL 104-134 (Debt Collection Act of 1996), sec 31001(x)(1); Director, DFAS memo, 3/20/95.	3/20/95	Use of EDI for business transaction information in accounting and vendor pay systems reducing data errors & transaction costs; use of DFAS Major Contract Payment System for progress payments & commercial invoices; DFAS major contract payments by EFT.	Reduced cash flow cycle time	
Manufacturing						
M01	Use of commercial soldering/other commercial manufacturing practices	DoD5000.2 (4.3.1); SECDEF memo, 6 Dec 95; USD (A&T) memo, 8 Dec 95; (SPI)	6/1/95	MIL-STD 2000A was cancelled 6/95 - no longer required on new contracts. SPI is being utilized to remove off existing contracts. The use of existing manufacturing processes shall be capitalized upon whenever possible.	Reduced contract schedule; reduced contract cost; increased quality; increased access to commercial.	
M02	Commercial standards/practices for calibration	PL103-355, sec8104; FAC90-32; DoDD5000.1 (D.1.1); DoD5000.2 (3.3.3.1); SECDEF memo, Jun 94; SECDEF memo, Dec 95; USD (A&T) memo, Dec 95 (SPI)	2/27/95	DSIC cancellation of MIL-STD-45662A. Contractors given choice of ANSI/NISC 2 540-1, ISO 10012-1 or any comparable standard.	Reduced contract cost; increased access to commercial.	
Plant Wide						
W01	Single Process Initiative - new requirements/reprocurements and prime/subcontracts	SECDEF memo, 6 Dec 95; USD (A&T) memo, 8 Dec 95 (SPI); Army Thrust Area II; Navy Cardinal Point 3-2; PDUSD(A&T) memo, 30 April 97; USD(A&T) memo, 16 May 97.	12/1/95	SPI supports MILSPEC & STD reform in DoD by providing a process to do block change removal of government unique requirements off all contracts in a facility; later memos addressed new requirements, subcontractor issues impeding full implementation of SPI.	Reduced contract schedule; reduced contract cost; increased quality (more effective solutions); increased access to commercial.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	6
Plant Wide						
W02	Program Stability	DoDD5000.1 (D.1.c); USD(A&T) memo, 28Apr95; AFFARS 5317.9103; SECNAVINST 5000.23, App II, Annex A, Sec4; DAPam 70-3, 11-C-3d.	4/28/95	Use of recent statutory & other means to provide increased stability to DoD programs (increased use of multiyear contracting)- increased stability will reduce program restructuring and associated changes in quantities and / or schedules.	Reduced contract cost.	
W03	Streamlining procedures/controls related to administration of Defense Industrial Security Program	EO12829, 7 Jan 93; NISPOM, Jan 95; FAR Deviation, May 95; FAC 90-39, 20 Jun 96.	1/1/95	Efforts to put in place a more simplified, uniform, and cost-effective industrial security program, while ensuring the security of sensitive information & technologies.	Reduction of costs related to preparation of detailed industrial security policies & procedures, incident reports & records, and costs related to DIS audits.	
W04	Use of "Other Transaction Authority"	PL103-160(FY94 Auth. Act), Sec. 845; PL 104-201(FY97 Auth. Act) Sec 804; USD(A&T) Memo, 14 Dec 96: DoD5000.1 (D.1.h); Navy Cardinal Point 4-3	12/14/96	Prototype projects conducted using "cooperative agreements and other actions" versus contracts using FAR/DFARS; PL 104-201 expanded authority to military services, requires competitive procedures to the maximum extent practicable.	Reduced contract schedule; reduced contract cost; increased quality; increased access to commercial.	
W05	More thorough post award debriefings	PL 103-355, Subtitle ID (FASA); FAC 90-32; FAR 33.214	9/18/95	More thorough, timely communications, including debriefings to losing competitors, to reduce reliance on other means of getting info, such as protests.	Reduction in contractor time/costs related to protests.	
W06	Streamlined Government Property Management	Contract Administration PAT, Feb 1995; FAR deviation, 31 Mar 95	3/1/95	Modifying requirements in FAR Part 45 to account for and maintain government furnished property. FAR deviation allowing contractors to refrain from tracking gov. property valued below \$1,500 issued 31 Mar 95. Total rewrite of FAR Part 45 is ongoing	Decrease excessive documentation; Decrease contractor costs related to this function without related risk of loss, damage or destruction to Government Property	
W07	Reduction/elimination of Contractor Purchasing System Reviews	DAC 91-11, Jun 96; DLAD 5000.4, Part VII, Chapter 4; FAR Case 95-011 (consent to subcontract)	6/1/95	Reviews based solely on risk assessments; no time requirements; conducted only when necessary; limited in scope to those areas where sufficient data is not already available; maximum use of existing contractor data; summary report generated.	Reduction in time and cost related to contractor interface with CPSRs.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	7
Plant Wide						
W08	Streamlined Contract Close-Out	Interagency Close-Out PAT, 1994; Contract Administration PAT, Feb 1995; FAC 90-39 (XXVI) far cases 95-008,017. FAR deviation 7-13-95 (interim billing rates)	7/13/95	Various PAT recommendations affecting both internal government operations and contractor operations. These include changes to interim final billing rates and an increase to the quick closeout threshold	Decreased contractor time related to closing out contracts	
W09	Elimination of non-value added packaging requirements;	SECDEF memo, 29 June 94 ; DSIC cancellation of MIL-STD-1367A, 31 May 95; revised MIL-STD-2073-1/2..	6/1/96	Ease packaging specifications to allow use of more commercial-type packaging where appropriate.	Reduced costs related to packaging requirements.	
W10	Use of commercial procedures & EDI related to; shipping documentation, GBLs, etc.	41 CFR 101-41.007	9/1/95	Use of commercial practices and modern technology (e.g. TRAMS, CFMS) related to shipping documents; enhanced vendor delivery - use of third party traffic management on FOB origin contracts & use of commercial GBLs.	Reduced time & cost related to preparing & processing shipping documents.	
W11	Commercial Sourcing - Reduction in applicability of certain laws	PL 103-355, sec 8003, 8102, 8105, 8301 (FASA); FY 95 Authorization Act; FAR 12.504; DFARS 212.504	6/1/95	Reduction in restrictive laws and domestic source restrictions that limited contractors from using commercial sources.	Reduced contract schedule; reduced contract cost; increased access to commercial.	
W12	Reduction of multiple SCEs	Joint Logistics Commanders - Acquisition Initiatives	10/1/95	DCMC lead in effort to coordinate software capability evaluations - provide feedback to contractors	Reduction in contractor time/cost related to multiple SCEs	
Program Mgt						
P01	Use of Joint Government Industry IPTs	PDUSD (A&T) memo, 28 Oct 94; SECDEF memo, 10 May 95; DoDD 5000.1(D.1.b)(D.3.c) (E.2.f); DoD5000.2 (3.3.5.1)(4.2); AF Lightning Bolt #5; Navy Cardinal Point 1-2,1-3,3-2,3-3; AMC Pam 70-27	5/10/95	IPPD concept includes joint government-industry IPTs, focusing on program execution and identification/implementation of AR. Initiative would resolve program issues in a more timely manner through increased communications	Reduced contract schedule; reduced contract cost; increased quality.	
P02	Elimination of Redundant Oversight (Program Office, Services, DCMC)	DoD5000.2 (3.3.5.5/6); USD (A&T) memo, 28 Apr 95; CASPAT - USD (A&T) memo 21 Aug 95	4/28/95	Reduction of redundant oversight by DCMC, service buying activities and program offices. Citations provided guidance for roles played by various government activities and use of a risk management approach to contract administration activities	Decrease in contractor costs associated with multiple and duplicative government fact-finding visits, technical reviews, etc., seeking same/similar information	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	8
Program Mgt						
P03	Alignment of oversight with program risk	DoD5000.2 (3.3.5.5/6); CASPAT - USD(A&T) memo 21 Aug 95	8/21/95	Tailoring contract administration based on risk assessment methodology. Transition of government unique requirements on existing contracts to commercial/contractor specs and standards (DCMC)	Decrease in contract costs related to interfacing with contract/program administration	
P04	Tailoring cost/schedule reporting standards to industry guidelines/reduction of contractor mgt system reviews	OMB Circular A-11, Part 3 (1996); DoDD 5000.2R, Part 3.3, 4.3; USD (A&T) memo, 14 Dec 96; SPI; Departmental Letter 97-011, DDP, 5 March 97.	3/5/97	Modification of C/SCSC to accept industry's earned value management criteria. USD (A&T) memo cited stated the industry guidelines (drafted by NSIA, AIA, EIA, SCA and ABA) as acceptable substitutes. DoD PM can tailor K data to specific program needs	Decrease contractor costs related to collection and reporting of cost/schedule information and related mgt system reviews	
P05	Use of EDI to facilitate information between Government and contractor	DoD5000.2 (3.3.4.5)	10/1/96	Beginning FY97, all new contracts require on-line access to, or delivery of, their programmic & technical data in digital form. Preference is on-line access to contractor developed data through contractor information system.	Reduced contract cost; increased quality of major contract deliverables.	
P06	Elimination of non-value added reporting requirements/CDRLs	DoD5000.2 (3.3.5.1); USD (A&T) memo, 4 Dec 95; DoDM-59C; AMC pamphlet 70-25;	12/4/95	Review and cancellation of obsolete/unnecessary DIDs by services, DLA and OSD; management data items limited to those essential for effective control.	Decreased contractor costs related to preparation of reports required by CDRLs	
P07	Cost as an Independent Variable	DoDD5000.1(D.1.f); DoDI 5000.2 (3.3.3); USD(A&T) memo, 4Dec 95/	12/4/95	Meeting aggressive cost targets through use of cost/performance trade-offs and making process changes to eliminate non-value added activities	Reduction of life cycle costs	
QA						
Q01	Use of commercially accepted quality program standards (e.g., ISO 9000 series)	SECDEF memo, Jun 94; USD (A&T) memo, 14 Feb 94; DFARS Case 95-007, final rule, 30 Nov 95; USD (A&T) memo, 24 Apr 95; USD (A&T) memo, 8 Dec 95; DoD5000.2 (4.3.2)	10/1/96	Recognition of commercially accepted quality program standards (e.g. ISO 9000 series) in place of MIL-Q-9858 A, MIL-I-45208, etc. This would reduce unnecessary paperwork and eliminate redundant quality assurance systems (both government and commercial)	Reduced contract cost; increased quality; increased access to commercial.	

Discipline	Change Element	Citation	Implementation Date	Description	Expected Outcome	9
QA						
Q02	Elimination of non-value added receiving/in-process/final inspection and testing	PL103-355, sec8104; FAC90-32; DoDD5000.1 (D.1.i); DoD5000.2 (3.3.3.1); SECDEF memo, 29 Jun 94; SECDEF memo, 6 Dec 95; USD (A&T) memo, 8 Dec 95	6/29/94	Elimination/conversion/revision of multiple MILSPECs & STDs - 883D; 454; I-38535; I-45208; 781; 415; 2165; 810E; most government unique requirements eliminated from RFPs; SPI being utilized to change existing contracts.	Reduced contract cost; increased access to commercial.	
Q03	Streamlined documentation/resolution of non-conforming material issues	Cancellation of MIL-STD-1520A by DSIC (MIL SPEC/STD Reform), 31 Mar 95	3/31/95	Cancellation of MIL-STD-1520A allows contractors to initiate less costly but effective procedures to identify and correct non-conforming parts and materials. This eliminates unnecessary paperwork related to MIL-STD-1520A and reduces cycle times	Reduction in contractor costs related to identification and corrective action	